

UNCLASSIFIED

Iraq

Status Report

December 2, 2009



Bureau of Near Eastern Affairs
U.S. Department of State

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HIGHLIGHTS



- **Iraqi Election Law Before Presidency Council** (*POLITICAL*, page 4).
- **November Casualty Numbers Lowest Since Beginning of War** (*SECURITY*, page 9).
- **Crude Oil Exports Continue Despite Infrastructure Damage in the North** (*ECONOMIC*, page 11).

POLITICAL - Governance & Legislation

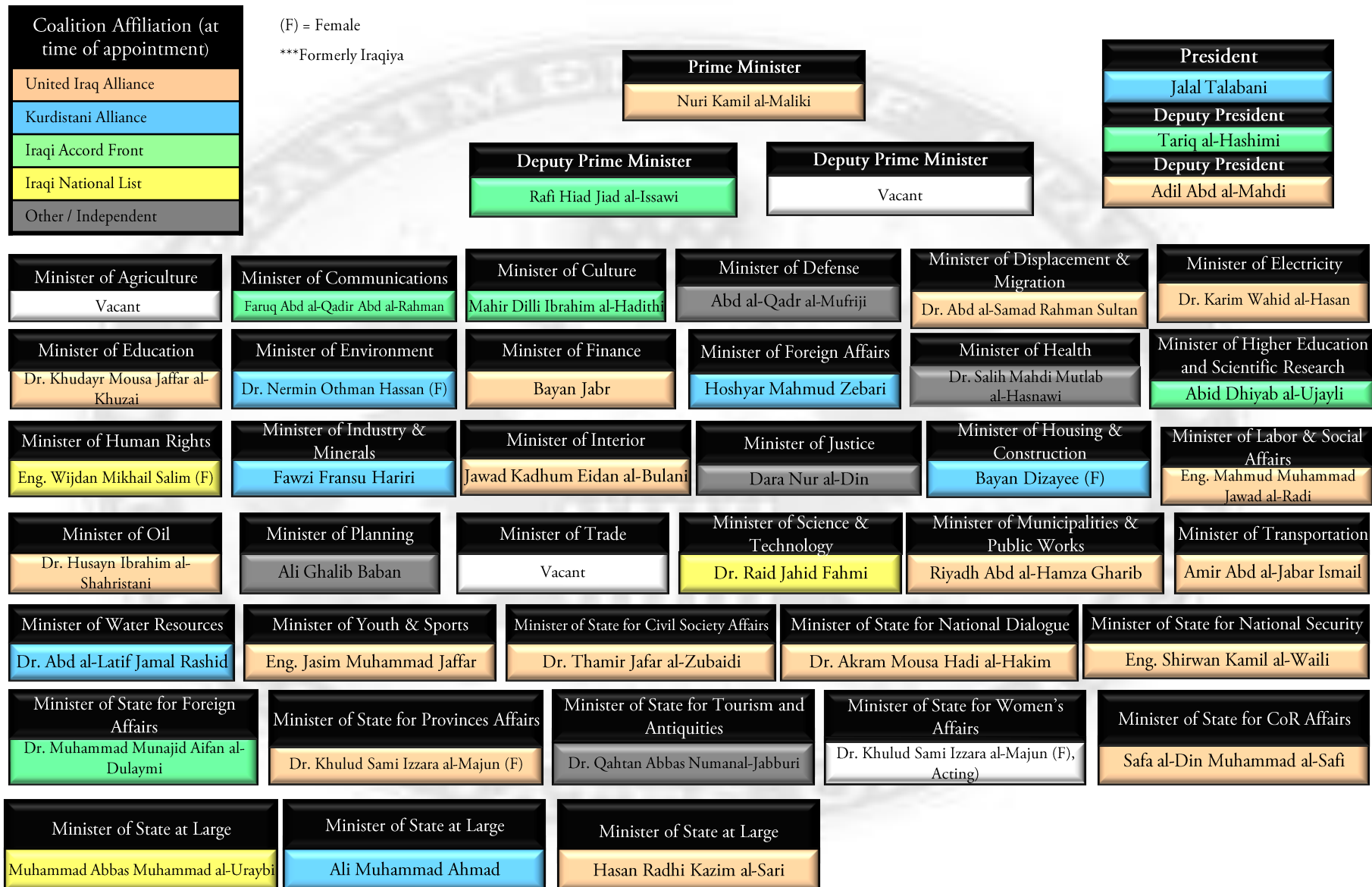


All parties continue work on election law

Iraqi Election Law Before Presidency Council:

- Discussions of the Iraqi election law are ongoing. All parties are engaged in attempting to develop an acceptable compromise, but no resolution has been reached.

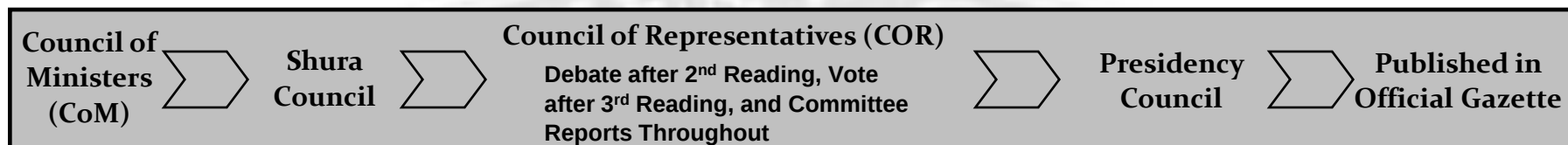
POLITICAL – Government of Iraq





POLITICAL – Key Legislative Issues

Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law will regulate the operations and funding of Non-Governmental Organizations operating within Iraq. It received its first reading in the Council of Representatives on April 20, 2009.
- **National Elections Law:** An amended election law was passed on November 23, 2009.

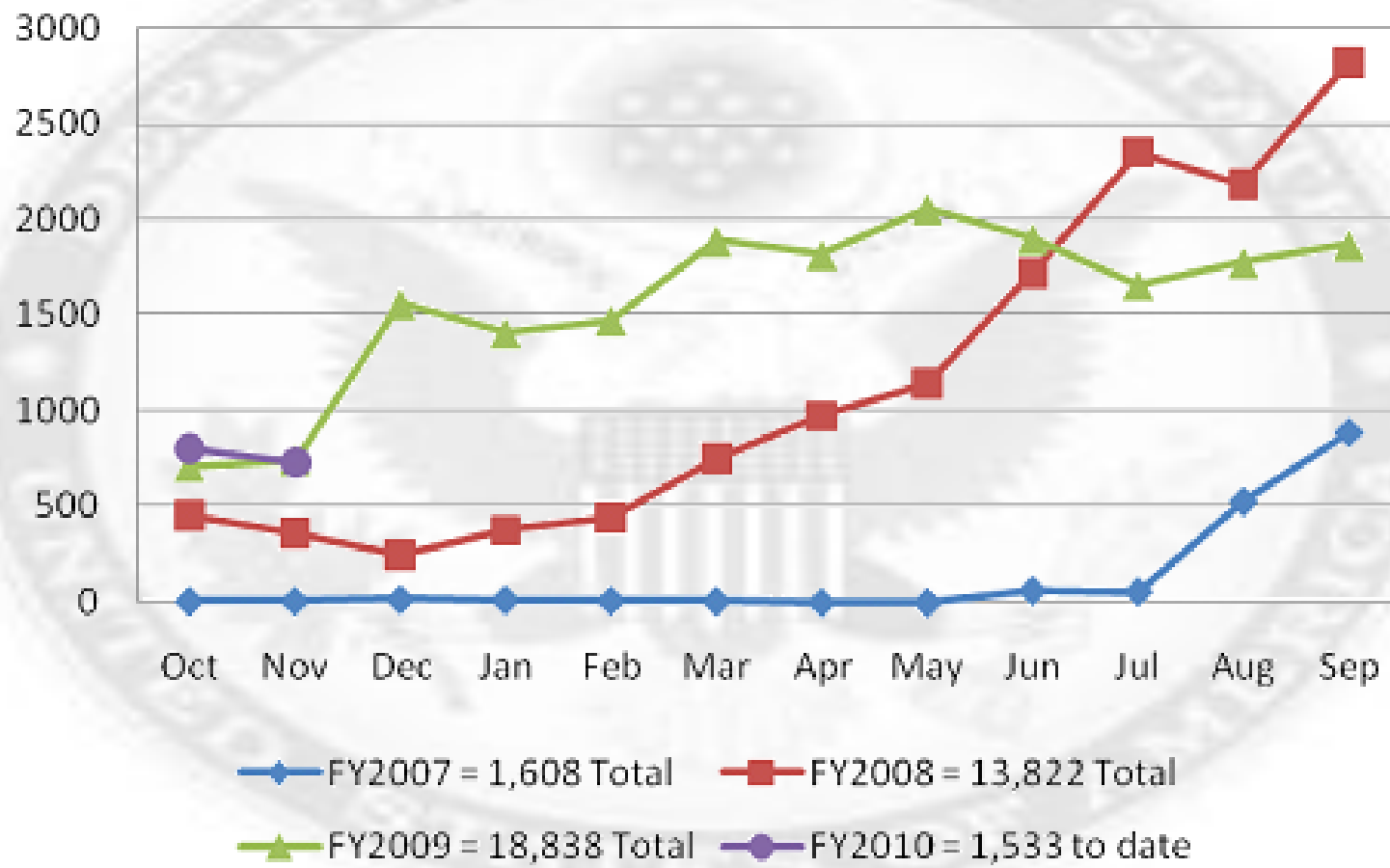
POLITICAL - Refugee Update



- There are approximately 295,000 Iraqi refugees currently registered with UNHCR in neighboring countries. There are likely significant numbers of unregistered refugees as well. UNHCR reports that 1.5 million Iraqis displaced by sectarian violence following the Samarra Mosque bombing of February 2006 remain internally displaced in Iraq.
- In FY09, the State Department's Bureau of Population, Refugees and Migration contributed \$ 303.4 million to international organizations and nongovernmental organizations to assist displaced Iraqis inside the country and in the region.
- Since the program's inception in FY07, 36,439 Iraqi refugees have been admitted for U.S. resettlement, an increase of 1,533 since the beginning of the fiscal year. The U.S. admitted 18,838 Iraqi refugees in FY09.
- As of September 2009, a total of 1,606 Special Immigrant Visa (SIVs) have been issued for Iraqi translators and interpreters (and their dependents) since FY07 (under the Section 1059 program).
- As of September 2009, a total of 3,028 SIVs have been issued for Iraqis employed by or on behalf of the U.S. government (and their dependents) since FY08 (under the Section 1244 program).
- Secretary of State Hillary Clinton announced July 24 that the United States was contributing more than \$100 million in new assistance to support the return and reintegration of displaced Iraqis.

POLITICAL - Refugee Update

Iraqi Admissions to the U.S.



SECURITY – Security Transition



Iraqi casualties at lowest numbers since 2003

November Casualty Numbers Lowest Since Beginning of War:

- Iraq's Ministries of Defense, Interior, and Health reported that Iraqi casualties for November were the lowest since prior to the U.S.-led invasion in March 2003 to remove Saddam Hussein from power. The data indicated that a total of 122 Iraqis – 88 civilians, 22 policemen and 12 soldiers were killed in November. "We are delighted with the decrease in the number of victims of terrorism but we will only be happy when we eliminate all threats," Ali Mussawi, an advisor to Iraqi Prime Minister Nuri al-Maliki, told AFP. "We call on the security services and all citizens to remain vigilant because the enemy is waiting and acts on the principle, 'I kill, therefore I exist'."

ISF Arrest 18 Suspected AQI Members:

- Iraqi Security Forces (ISF), assisted by U.S. advisors, arrested 18 suspected al-Qaida in Iraq (AQI) members while conducting a series of joint security operations in Mosul on November 25. The raids initially targeted an alleged AQI regional leader suspected of staging attacks against Iraqis, but led to the capture of 18 suspected AQI members total.

ECONOMIC – Oil



Oil prices are rising, but exports below 2009 targets

Crude Oil Update:

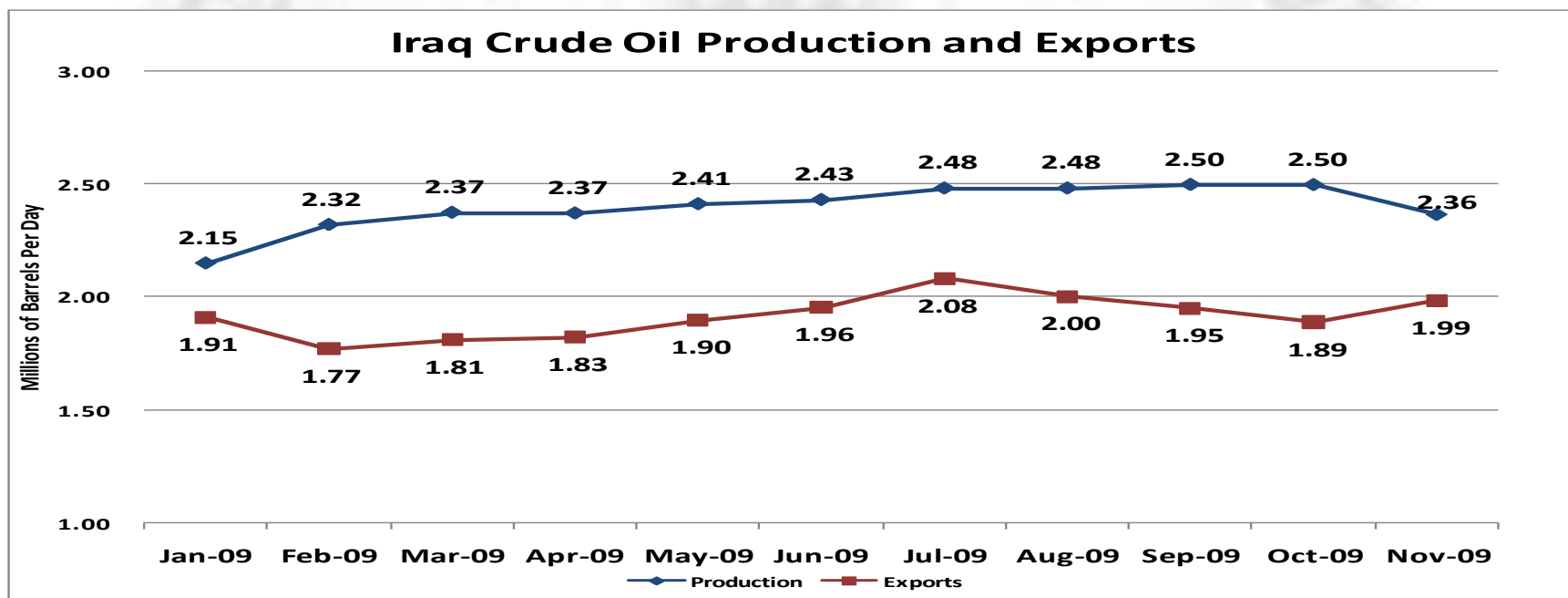
Price averages in world markets closed with the following prices:

Basrah Light at \$75.95/barrel

Dated Brent at \$76.65/barrel

WTI Cushing at \$76.15/barrel

Oman/Dubai at \$77.74/barrel



Revenue estimates:

2007: \$41.0 Billion

2008: \$61.9 Billion

2009 (ytd): \$29.9

*Approximate estimate.

ECONOMIC – Oil



Crude oil exports continue despite infrastructure damage in the North

Oil Production Resumes after Pipeline Damage:

- Nearly a week after insurgent bomb attacks damaged Iraq's Kirkuk-Ceyhan northern export pipeline, crude oil exports to Turkey regained momentum on November 27. The Iraq-Turkey oil pipeline stalled on November 21 after a sabotage bomb attack damaged oil infrastructure in the Salah ad Din province. Previously, a bomb attack near Mosul halted oil flow from late October until November 2. This pipeline normally pumps 500,000 bpd from Kirkuk in northern Iraq to Ceyhan in Turkey, but most of Iraq's crude oil exports are transported via the Basrah through the Arab Gulf.

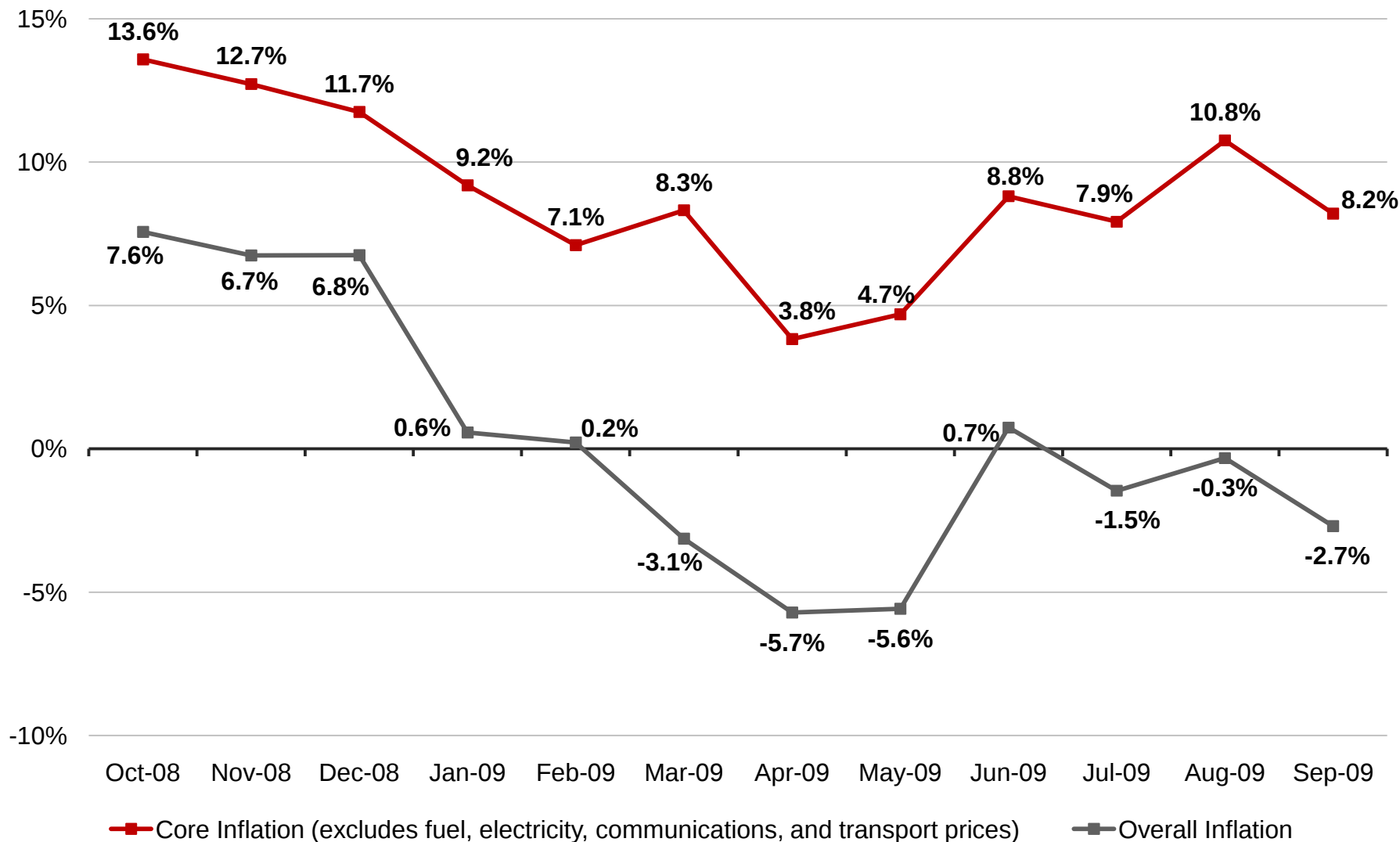
Iraq Drilling Company Makes Plans for New Fields:

- The state-run drilling company plans to drill 180 oil wells in 2010 with plans for more than 250 wells a year from 2011 on. Thirty wells will be located in northern fields and 150 in southern fields. According to the Iraq Drilling Company, the additional wells are expected to add 350,000 bpd to Iraq's total output.

ECONOMIC - Fiscal and Monetary Affairs



Year-on-Year Inflation



ECONOMIC – Fiscal and Monetary Affairs



Iraq signals desire for participation in international financial markets

Economic Indicator	This Week	Last Week	Last Month	Last Year
Iraqi Commercial Bond Sales				
Price (USD)	\$75.41	\$75.51	\$75.34	\$66.08
Yield	8.48%	8.47%	8.49%	10.96%

Trade Bank of Iraq Joins Thomas Reuters Global Trading Service:

- The Trade Bank of Iraq became the first Iraqi bank to join Thomas Reuters global foreign exchange trading service. The state-owned bank will provide Iraqi businesses with international trading and business development assistance. According to Zaid A. Mahdi, Vice-President of Business Development at the Trade Bank of Iraq, this decision reflects the desires of Iraqi businesses seeking to increase participation in international financial markets.

ECONOMIC – Health



Iraq sees rise in cancer rates

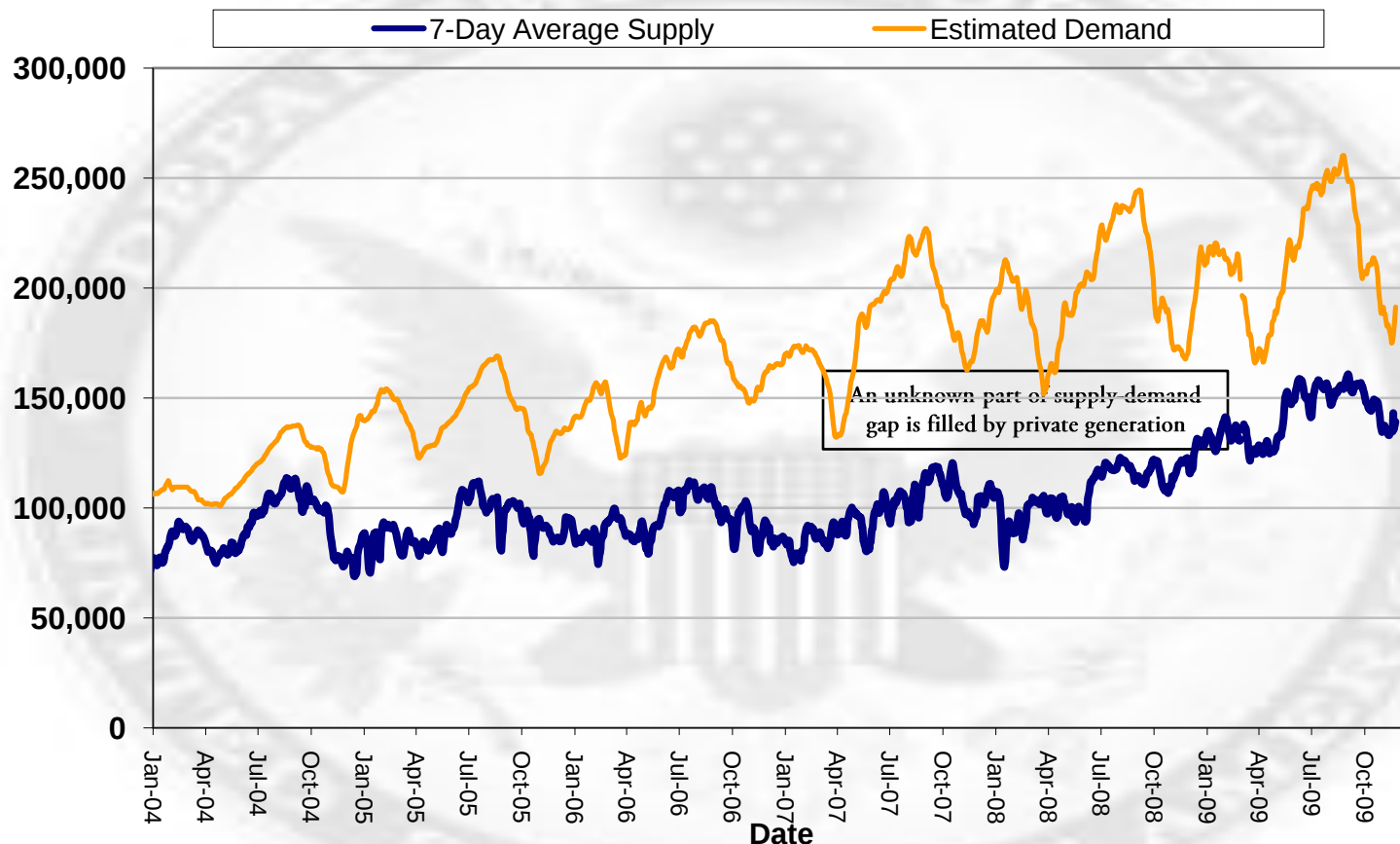
Iraqi Health Officials Note Rise in Cancer among Iraqi Citizens:

- **Iraqi officials recently recognized a sharp rise in cancer rates among Iraqis. Health officials are unable to identify the specific causes for the sharp increase of incidences of cancer, infant deformity, and other health issues among Iraqi citizens. Many health officials cite radioactive pollution from weapons used during the 2003 Iraqi invasion as a cause of the increase in incidences. A Special Committee formed by the board of directors at Fallujah's main hospital will investigate these cases.**

Public Services – Electricity



Daily Electricity Supplied and Estimated Demand in Iraq Since January 2004



- Electricity supply from the grid November 17-23 was 14% above the year-earlier period and met 73% of estimated demand, unchanged from the earlier period.

Beyond Baghdad



War widows from Diwaniyah province receive sewing and business entrepreneurship training

Diwaniyah

Salah ad Din

“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”

President Barack Obama

Recent Highlights

Spurred by the idea from Diwaniyah Provincial Council Member and Head of the Human Rights Committee Mrs. Wedad Hatem Hashen, members of the local PRT sponsored a program to train widows in sewing and business entrepreneurship to support their economic independence. The training, which is intended to help widows from the Iraq war maintain financial self-sufficiency, teaches participants how to make clothes and start their own small tailoring shops. The program is being implemented by a local NGO called the Iraq Women Foundation for Diwaniyah. The program is expected to last four months in order to accommodate two classes of 40 widows.

Members of the Salah ad Din PRT have been working closely with Tikrit University to promote agricultural technology to local farmers. The PRT and the 4-1 Brigade Combat Team's Agricultural Task Force recently hosted a demonstration of new no-till drills at the university's demonstration farm for representatives of the province's 14 agricultural-extension-offices. The no-till drill provides a more efficient way of planting and prevents soil erosion better than conventional farming methods. The project provides 15 no-till drills for the province, along with appropriate training in their use. In a separate meeting with the PRT and the Tikrit battalion LTC, the Director General of Agriculture stated that he had requested TV time on the Salah ad Din network for agricultural advertisements and education in order to reach the farmers of the province.



CONTACT INFORMATION

This brief draws from multiple sources. References are cited on the following pages.

For additional information, please see:

- Department of State, Section 2207 Report on Iraq Relief and Reconstruction
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq
http://www.defenselink.mil/home/features/Iraq_Reports/index.html

Please forward all questions and/or comments to:

NEA-I-IPOG-DL@state.gov



NOTES AND SOURCE CITATIONS (1 of 2)

Slide 4:

- Washington Post, Nov 27, <http://www.washingtonpost.com/wp-dyn/content/article/2009/11/27/AR2009112701398.html>

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- Department of State, NEA Political Section, NEA-I-POL-DL@state.gov

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- AFP, December 1, http://www.google.com/hostednews/afp/article/ALeqM5iJipxGZTeHh_c36TKR-DXX7PE8nw
- MNF-I, November 25, http://www.mnf-iraq.com/index.php?option=com_content&task=view&id=28760&Itemid=128

Slide 10:

- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

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- Reuters, November 30, http://www.reuters.com/article/reutersComService_3_MOLT/idUSTRE5AT1T220091130
- Reuters, November 24, <http://www.reuters.com/article/GCA-Oil/idUSTRE5AN1ZG20091124>
- Reuters, November 27, <http://www.reuters.com/article/GCA-Oil/idUSTRE5AQ18G20091127>

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- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

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- CNN Money, November 25, <http://money.cnn.com/news/newsfeeds/articles/marketwire/0562912.htm>

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- Reuters, December 1, 2009, <http://www.washingtonpost.com/wp-dyn/content/article/2009/12/01/AR2009120100558.html>

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- Department of State, NEA/I Economics Section, NEA-I-ECON-DL@state.gov

Slide 16:

- Embassy Baghdad Website, http://iraq.usembassy.gov/prtdw_112209.html- NEA-I-PRT-DL@state.gov